23. A reserve provision of Rs 9 lakhs has also been made in the next year's budget—Rs 2 lakhs under Army and Rs 7 lakhs under the new head 'Reserve with Government for emergencies.' I hope the necessity for this reserve will be readily conceded by the House when it is remembered that these are days when unforeseen and emergent situations may arise at any moment, which from political, military and other considerations, we cannot afford to ignore consistent with our own interests and our duty to His Majesty.

24. Before passing on to Capital Expenditure, I shall refer to some of the more salient features of the departmental activities calculated to ameliorate the condition of the people or to conserve the resources of Government, either by a reduction of expenditure or an enhancement of revenue.

Land Revenue and Income Tax.

25. As a measure of economy and in view of a large portion of the duties assigned to the Land Revenue and Income Tax Commissioner when the post was created in 1921 having been since transferred to other departments from time to time, it has been decided to abolish that post. The Division Peishkars, the Deputy Commissioner of Income-tax and the Superintendent, Travancore Survey, will work directly under the orders of Government. Mention has already been made of the transfer of the control of Treasury from the Land Revenue Department to the Finance Department.

Forests.

26. The Development Department having been amalgamated with the Forest Department, the latter department is now devoting its attention to the *ascu* treatment of timber and the manufacture, on a commercial scale, of plywood. As there is a great demand now for plywood, Government have in contemplation the grant of a subsidy to the extent of Rs 2 lakhs to any Joint Stock concern that will come forward to take up the manufacture of plywood. Negotiations in this behalf are already in progress.

27. A five-year plan has been recently organised for the development of our forest resources. The first year's programme which is to be taken up next year comprises experimental artificial regeneration of beedi leaf plant, and soft wood such as elavu, mahogany and cheeni, cinchona cultivation, experiments on making defibrated boards from reeds, tentative working plans for teak plantations and sandal wood and for the supply of reeds and fuel to the Punalur Paper Mills and also experimental natural regeneration of evergreen plants. A scheme for the large scale production of honey from the forests has also been started about the middle of the current year. When in the fulness of time all these activities are completely developed, there is every reason to expect that they will help not only to augment the Government's income from their forests by tapping their hidden resources but will also provide employment to a large number of people.

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